UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

INVESTMENT TECHNOLOGY GROUP, INC., ITG INC., ITG SOLUTIONS NETWORK, INC. and THE MACGREGOR GROUP, INC.	:	
Plaintiffs,	:	07 Civ. 510 (GEL)(HBP)
-against-	:	ORDER
LIQUIDNET HOLDINGS, INC,	:	
Defendant.	:	

PITMAN, United States Magistrate Judge:

A conference having been held on this date during which various discovery issues were discussed, for the reasons stated on the record in open court and the additional reasons set forth below, it is hereby ORDERED that:

1. Defendant's application to compel damages discovery concerning plaintiffs' Channel ITG product is granted. Plaintiffs are directed to produce responsive documents within thirty (30) days of the date of this Order.

2. No later than March 30, 2009, plaintiffs are to identify to defendant's counsel 100 documents from defendant's index of documents withheld on the ground of privilege. No later than April 6, 2009, defendant is directed to produce copies of the documents identi-

fied by plaintiffs to my chambers for in camera review. Defendant shall number the copies produced to my chambers in a manner that corresponds to its index of withheld documents.

3. Defendant's application to compel production of documents and other discovery relating to an advice-of-counsel defense to defendant's claim of willful infringement is denied without prejudice to renewal after the resolution of the parties' contemplated summary judgment motions. Although Gaull v. Wyeth Labs., Inc., 687 F. Supp. 77 (S.D.N.Y. 1988) required the accused infringer in that case to make disclosure concerning its advice-of-counsel defense at a relatively early stage of the proceedings, the more recent decisions from the Federal Circuit and from Judges in this District have held that the decision of whether to assert an advice-of-counsel defense should be deferred until the need to assert such a defense is clear. See In re Seagate Technology, Inc., 497 F.3d 1360, 1369-70 (Fed. Cir. 2007)(en banc), cert. denied, 128 S.Ct. 1445 (2008); Quantum Corp v. Tandon Corp., 940 F.2d 642, 643-44 (Fed. Cir. 1991); Minerals Technologies, Inc. v. Omya AG, 04 Civ. 4484 (VM)(MHD), 2005 WL 1539284 at *1 (S.D.N.Y. June 29, 2005); Kos Pharmaceuticals, Inc. v. Barr Labs., Inc., 218 F.R.D. 387,

393-95 (S.D.N.Y.), modification denied, 293 F. Supp.2d 370 (S.D.N.Y. 2003).

Preliminarily, at least, it appears that plaintiffs have a non-trivial summary judgment motion concerning the viability of defendant's claim for intentional infringement. Given this fact, the potential prejudice to plaintiffs that might result from compelling discovery at this stage and the relatively narrow nature of discovery concerning an advice-of-counsel defense, I conclude that the more prudent course is to defer discovery concerning this issue until, at least, dispositive motions are resolved in this action.

Dated: New York, New York
March 23, 2009

SO ORDERED

HENRY PITMAN
United States Magistrate Judge

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